

**ADDENDUM #2
TO SPEC. 05-048
MANAGEMENT OF
PERSHING MUNICIPAL AUDITORIUM**

Addendum #2 to Spec. 05-048 for Management of Pershing Municipal Auditorium, bids to be opened on Wednesday, May 4, 2005 at 12:00 noon.

Listed below are some questions and answers to those questions that we have received.

Q - 1 Why is the Letter of Understanding with IATSE not signed?

A - 1 The agreement has been approved and is in use, the union hasn't returned the original to us.

Q - 2 Can you provide a breakdown by event for the last 3 and 5 years? Please include revenues, paid attendance, expenses all information for all events i.e. concerts, family shows, sporting events, sporting, etc.

A - 2 See attached

Q - 3. Please provide current operating budget and financial to date.

A - 3 See attached

Q - 4. Can we have a copy of all third party contracts especially ticketing services?

A - 4 See attached

Q - 5. List any contracted services and their yearly amounts, i.e. HVAC, Elevator, Mechanical.

A - 5 We have no HVAC contract. We had a Honeywell contract which we canceled this year. The elevator company canceled our contract with them as the elevator is too old. There are no other service type contracts.

Q - 6. Provide a breakout on the full time staffing for last year by position and salary.

A - 6 See attached which was handed out at the pre-submission meeting. Salaries are up to the individual firms submitting proposals

Q - 7. A calendar of events booked or on hold for the next two years.

A - 7 Current confirmed bookings are attached. Bookings on hold or pending are not available.

Q - 8. Is there a reason for travel expenses to have dropped off to a much lower figure this year verse prior?

A - 8 Travel budget tends to fluctuate depending on circumstances

Q - 9. If SMG is not successful in this RFP will the new management company be absolutely bound by the 150 mile non-compete clause?

A - 9 The 150 mile clause reflects the City's preference. The City will consider amendments on a case by case basis as we did with SMG.

Q - 10 What are the benchmarks for SMG to earn incentive Fee Income?

A - 10 See Attached

Q - 11 Over the past four complete fiscal years what has been their track record on earning incentive income?

A - 11 Because of increases in deficits it has been a disincentive.

Q - 12. Requesting a list of concession equipment including any portables, owned or on loan.

A - 12 See Attached

Q - 13. Requesting a list of catering equipment

A - 13 See Attached

All other terms and conditions to remain unchanged.

Dated this 19th day of April, 2005.

Purchasing Department

Vince M. Mejer
Purchasing Agent

VMM/dw